GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:476
ANSWERED ON:28.02.2008
REVAMPING OF DEFUNCT FERTILIZER PLANTS OF HFCL FCIL
Mandal Shri Sanat Kumar;Saradgi Shri Iqbal Ahmed

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Department of Fertilizers has sought for 5000 crores from the Finance Ministry as a Capital Support to revamp and defunct fertilizers plants of Hindustan Fertilizers Corporation Ltd. (HFCL) and Fertilizer Corporation of India Ltd. (FCIL) during the Eleventh Plan;

(b) if so, whether the money could either come by way of equity infusion by the Government or through interest free debit;

(c) if so, the details thereof;

(d) whether the Government has agreed to provide the assistance;

(e) if so, the number of plants are likely to be revamped out of this fund; and

(f) the extent to which this will improve the fertilizers position in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) to (d): The Department of Fertilizers has sought an allocation of Rs.5000 crore under 11th Plan as Gross Budgetary Support (GBS) towards revival of closed units of HFCL and FCIL from the Planning Commission. The financing model for revival of closed units is yet to be finalized and is currently under discussions with the Planning Commission.

(e): Do not arise.

(f): Revival of closed units will help improve fertilizer availability in the country to a considerable extent.